

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:5506
ANSWERED ON:15.05.2007
TARGET FOR TEXTILE INDUSTRIES
Mane Smt. Nivedita

Will the Minister of TEXTILES be pleased to state:

- (a) whether the textile machines manufacturing industries are unable to meet the target fixed for 2010 as reported in Business Standard, dated April 9, 2007;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government has any plan to provide financial assistance to the textile machine manufacturing industry similar to that of Technology Upgradation Funds Scheme;
- (d) if so the details thereof;
- (e) if not, the reasons therefor; and
- (f) the other steps proposed to be taken to help the textile machine manufacturing industries?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGO VAN)

(a) & (b): Confederation of Indian Textile Industry (CITI) in its vision statement for 2010 has projected investments for Textile Machinery as Rs. 1,40,000 crore. Even with 31% growth in textile machinery the Indian Industry would not be able to meet the projections by CITI. At present the total installed capacity of Textile Machinery is estimated to be around Rs.3050 crore per annum. The level of production during 2004-05 and 2005-06 was around Rs.1684 crore and Rs.2212 crore respectively. The imports during the corresponding periods were Rs. 3393 crore and Rs. 7100 crore. The figures show that whereas the demand has almost doubled during last one year, the share of indigenous production has come down from 33% to 24%. However, the indigenous production has shown a growth of around 31% during last year. As far as capacity is concerned it is still underutilized on account of technology gap & capacity in certain areas.

(c) to (e): Department of Heavy Industry has proposed a comprehensive scheme for enhancing the competitiveness of Capital Goods Industry, which includes Textile Engineering Sector. The scheme aims to provide financial support to TEI units for up grading their existing technology, setting up of common facilities and R&D centres as well as setting up of Sector specific Parks. The scheme is under consideration of the Planning Commission.

(f): Recommendation on tariff structure and other policy issues are considered from time to time for development and growth of the domestic industries.